

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

HALL CA-NV, LLC, a Texas Limited Liability
Company

Plaintiff,

v.

LADERA DEVELOPMENT, LLC, a Nevada
Limited Liability Company, et al.

Defendant.

Case No. 3:18-CV-00124-RCJ-CSD

ORDER

The Court heard oral argument on Hall CA-NV, LLC’s (“Hall”) Motion in Limine to exclude any evidence, arguments, or assertions of fact that run counter to the Court’s Order finding that Ladera Development, LLC’s (“Ladera”) breached the Intercreditor Agreement. (ECF No. 186). For the reasons discussed below, the Court grants Hall’s Motion in Limine. (*Id.*)

FACTUAL BACKGROUND

This dispute arises from many previous disputes that the parties engaged in over a loan that Hall and Ladera made for a renovation of the Cal-Neva Lodge. The Borrower hired Penta Building Group (“Penta”) to do the Cal-Neva renovation. (ECF No. 157 at 3-4). Hall and Ladera both agreed

1 to loan money to the Borrower for the renovation. (*Id.*) Hall loaned the money first and Ladera
2 came in later to provide additional funding. (*Id.*) For that reason, the parties signed an Intercreditor
3 Agreement that made Hall's loan senior to Ladera's. (*Id.* at 2-3)

4 The Borrower ran into financial difficulties and ultimately filed for Chapter 11 Bankruptcy.
5 (*Id.* at 8-9). The Borrower, Hall, and various other subcontractors agreed to split up a pot of
6 \$15,000,000 and moved for the bankruptcy court's approval of the settlement. (*Id.* at 9). In the
7 Motion for Settlement, Plaintiff Hall represented that it would "exercise its rights under the
8 Intercreditor Agreement with Ladera to insure Ladera's non-objection to the motion to approve
9 this Agreement and the Motion to Dismiss, including but not limited to taking any action to enforce
10 the Intercreditor Agreement, in the event Ladera breaches the terms of the Intercreditor
11 Agreement." (*Id.* at 10.) Defendant Ladera did not contest the validity and enforceability of the
12 Intercreditor Agreement, at this time or at all during the bankruptcy proceedings. (*Id.*) The
13 bankruptcy court approved the proposed settlement. (*Id.*)

14 Hall brought this action alleging that Ladera breached the Intercreditor Agreement. (ECF
15 No. 1). Hall moved for Summary Judgement on the issue of whether Ladera breached the
16 Intercreditor Agreement. (ECF No. 139). This Court ruled that Ladera breached the Intercreditor
17 Agreement. (ECF No. 157). Ladera moved for reconsideration of that Order and the Court denied
18 that Motion. (ECF Nos. 159, 171). In Ladera's pretrial filings, Ladera continues to argue that it did
19 not breach the Intercreditor Agreement. (ECF No. 211). Before the Court is Hall's Motion in
20 Limine to exclude any evidence, arguments, or assertions of fact that run counter to the Order
21 finding that Ladera breached the Intercreditor Agreement. (ECF No. 186).

22 LEGAL STANDARD

23 A motion in limine is a procedural device used to obtain an early and preliminary ruling
24 on the admissibility of evidence. "Typically, a party makes this motion when it believes that mere

1 mention of the evidence during trial would be highly prejudicial and could not be remedied by an
2 instruction to disregard.” Black’s Law Dictionary 1171 (10th ed. 2014). The trial judge’s authority
3 to manage trial allows it to hear and decide motions in limine to “prevent inadmissible evidence
4 from being suggested to the jury by any means.” *See Luce v. United States*, 469 U.S. 38, 41 n.4
5 (1984) (citing Fed. R. Evid. 103(c)). “Although the [FRE] do not explicitly authorize in limine
6 rulings, the practice has developed pursuant to the district court’s inherent authority to manage the
7 course of trials.” *Id.*

8 Judges have broad discretion when ruling on motions in limine. *See Jenkins v. Chrysler*
9 *Motors Corp.*, 316 F.3d 663, 664 (7th Cir. 2002). However, a motion in limine should not be used
10 to resolve factual disputes or weigh evidence. *See C&E Servs., Inc., v. Ashland, Inc.*, 539 F. Supp.
11 2d 316, 323 (D.D.C. 2008). To exclude evidence on a motion in limine, “the evidence must be
12 inadmissible on all potential grounds.” *E.g., Ind. Ins. Co. v. Gen. Elec. Co.*, 326 F. Supp. 2d 844,
13 846 (N.D. Ohio 2004). “Unless evidence meets this high standard, evidentiary rulings should be
14 deferred until trial so that questions of foundation, relevancy and potential prejudice may be
15 resolved in proper context.” *Hawthorne Partners v. AT & T Tech, Inc.*, 831 F.Supp. 1398, 1400
16 (N.D. Ill. 1993). This is because although rulings on motions in limine may save “time, costs,
17 effort and preparation, a court is almost always better situated during the actual trial to assess the
18 value and utility of evidence.” *Wilkins v. Kmart Corp.*, 487 F. Supp. 2d 1216, 1219 (D. Kan. 2007).

19 ANALYSIS

20 The Court already ruled on the issue of whether Ladera breached the Intercreditor
21 Agreement. (ECF No. 157). Ladera’s attempts to relitigate that issue under a motion for
22 reconsideration were unsuccessful. If Ladera wanted to further that litigate that issue it should
23 take it up with the Circuit Court. The Court will not hear any evidence, arguments, or assertions
24 of fact that run counter to the Court’s ruling that Ladera breached the Intercreditor Agreement.

